

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6926

BILL NUMBER: SB 202

NOTE PREPARED: Apr 8, 2003

BILL AMENDED: Apr 8, 2003

SUBJECT: Equitable subrogation.

FIRST AUTHOR: Sen. Clark

FIRST SPONSOR: Rep. Kuzman

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: No Fiscal Impact

Summary of Legislation: (Amended) The bill provides that a mortgagee may not be denied equitable subrogation solely because the mortgagee is a lender and had constructive notice of the intervening lien, the lien was released, or the mortgagee obtained title insurance. The bill provides that a contract to prepare property for Class 2 residential construction may include a provision that a lien may not attach to the real estate or building of the owner.

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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